

LOCAL GOVERNMENTS' RENEWABLES DECLARATION

Second Draft – May 2004

We, Mayors and representatives of cities and municipalities of the world, and of their associations and networks, on the occasion of the International Conference on Renewable Energies 2004, and the Local Renewables Conference, agree on the following Declaration:

The Context

Energy is a core issue for sustainable development since it is a major factor for the economy and social welfare, and a major threat to the environment and the global climate. Governments have started to address this challenge: The Kyoto Protocol to the UN Framework Convention on Climate Change calls for “research on, and promotion, development and increased use of, new and renewable forms of energy“, the Johannesburg Plan of Implementation calls for a “a greater share of renewable energies in the energy mix”, the Millennium Development Goals call for decisive steps to poverty alleviation and sustainable development, and the Initiative of the Johannesburg Renewable Energie Coalition is currently seeking to find ways for commitments of governments on the development of renewable energies and reducing energy poverty.

We local governments are aware that today's urban structures around the world are based on fossil fuel supply. This dependence from finite resources leads to massive risks for our cities, is very probably causing climate change impacts affecting our cities, and seriously threatens urban environment and liveability. At the same time, energy poverty within cities and in particular in rural areas, leads to severe social and health problems, and is contributing to the pressure on urban agglomerations.

Responding to the urgent need to address these problems, thousands of local governments around the world have entered commitments to combat climate change and work towards sustainable development. They have, in close consultation with their citizens, set up a Local Agenda 21, and are implementing local climate protection and sustainable energy programmes. Numerous successful examples can demonstrate what can be achieved by resolute policies of cities and municipalities in this field.

City networks and associations, regional and global partnerships of local authorities have substantially contributed to these efforts and achievements, through joint commitments and approaches, exchange of experience and mutual support.

Cities and municipalities and renewable energy

We Local Governments have recognised that a far-reaching shift towards sustainable energy systems in our cities is urgently required. Cities and local communities will not be viable without this fundamental structural change. The switch to renewable energies and, as a prerequisite, significant energy efficiency improvements, will contribute to reducing the health and environmental impacts of energy production and consumption, to fostering economic development and job creation in the region, and to minimising dependence on energy imports. By utilising renewable energies based on local and regional resources, our cities and municipalities can regain self-reliance that was lost over the years, and, along with the learning process to achieve this, gain and enhance self-government.

In particular for decentralised applications of renewable energies, local governments play a crucial role. Local action is complementary to national action: national governments should set proper frameworks, and local governments and communities should facilitate concrete investments in renewable energy technologies, thereby promoting and supporting the implementation of a policy aiming at an increased share of renewables. Given the decentralised nature of a sustainable renewable energy system, national policies and measures without local level commitment and action will not be successful in the long run, and vice versa.

The role of Local Governments

Within their own facilities and buildings, local governments can substantially increase the share of renewables, through energy conservation and management, use of waste heat, and procurement of renewable electricity. Beyond these options, local governments have considerable influence on local energy production and consumption structures and patterns:

- Through **urban and spatial planning**, we define local preconditions that are decisive for the development of renewable energy sources, e. g. creating settlements and structures that are favourable for the passive and active use of solar energy, siting policies for biomass and wind power.
- Through **local regulations and financial incentives**, we introduce preferential application of certain energy sources, e. g. by introducing obligations for the use of solar thermal in buildings, by providing subsidies, rebates and tax exemptions for renewable installations.
- Through **investments in infrastructure**, we create the preconditions for the utilisation of waste heat and heat from renewables, in particular through small and large scale district heating or cooling systems, we create the preconditions for the utilisation of combined heat / cooling and power.
- By initiating, promoting and facilitating **local co-operation and new financing schemes**, we bring together investors, suppliers and consumers in order to realise collaborative renewable energy projects.
- Through **pilot projects** we help to introduce innovative technologies, and through purchasing of green power we help stimulating the market for renewables.
- Through **awareness raising and involvement of citizens and business**, we ensure the acceptance of renewable energy projects, and support the diffusion of renewable technologies.

All these policy options are specific opportunities at the local level, and specific fields of action of local government. Though there are considerable differences in terms of natural, resource related, institutional and financial preconditions in the North and in the South, and in urban and in rural areas, the technical options to utilise renewable energy and the policy instruments at hand are, in principle, similar in industrialised and developing countries.

However, cities and local communities in developing countries face special challenges, in particular the lack of access to energy in some urban and many rural areas, and the lack of institutional and financial capacity to address these problems. In order to “improve access to reliable, affordable, economically viable, socially acceptable and environmentally sound energy services and resources“ as the Johannesburg Plan of Implementation puts it, local action is required, and thus local governments must be involved. In particular in rural areas, structure and density of energy demand, and availability of financial resources, are different from urban areas, calling for appropriate solutions. Cities and their hinterlands should seek for regional approaches for their mutual benefit to provide clean energy for the poor, thereby improving quality of life and fostering economic development.

Commitments

We commit ourselves to strong and consistent long-term policies and measures to increase the share of renewable energy in our communities, and herewith invite other local governments and communities to do so.

We will follow a **systematic approach** involving the following steps:

- assess the local potentials for renewable energies,
- work out and implement action plans,
- monitor our progress and
- report about measurable results.

In doing so, we will regard the following **principles**:

- Improving energy efficiency and developing renewable energies must go hand in hand, and we will preferably seek for optimum combinations of both, thereby improving economic viability.
- We will take into consideration that we are public bodies with corresponding responsibilities and tasks in terms of providing public services and utilising market forces for superior goals serving our communities.
- We will take global equity and the global impacts of local policy into consideration, and work in partnership with cities and local communities in other parts of the world.

In our efforts to develop renewable energies, we will fully **integrate sustainability considerations**:

- We will take social and health aspects into consideration, ensure the participation of our citizens, address equity and gender aspects, and seek for linking our energy policy with poverty alleviation.
- We will take environmental aspects into consideration, such as the protection of nature and noise reduction.
- We will take economic aspects into consideration, prioritise cost-effective solutions, in particular in an integrated approach including energy efficiency, promote sustainable investment schemes and combine our energy policy with regional economic development and job creation.

In our action programmes we will in particular include the following **activities and measures**:

- On our own buildings and facilities, we will implement innovative renewable energy projects to stimulate the market and provide a model for private investors, and moreover, we will use our purchasing power to procure renewable power.
- We will inform our citizens about climate change and its global impacts, and about energy efficiency and renewable energies, provide advice on their application, and promote to include these issues into curricula, and training and capacity building programmes.
- We will involve our citizens in planning processes and implementation, and initiate and support community-based collective investment and participation finance.
- We will exploit the possibilities for local legislation and regulation to give preferential treatment to renewable energies.
- In addition to directly increasing the share of renewables in our communities, we will promote the development of the renewables energy industry in our regions and build alliances with local trade and business that deal with the decentralised application of renewable energy technologies.

To enhance the effectiveness of our efforts, we will co-operate with other local governments and provide mutual support, in regional, national and international networks, in North-North, South-South, and North-South partnerships.

Recommendations to the Bonn Conference

Preconditions for local action: In order our commitments and our policies to be effective, local governments' capacity for effective action must be ensured and enhanced. In particular, we local governments must possess adequate authority and powers, sustainable financial resources, and qualified and sufficient staff to be able to fully exploit the manifold options to increase the share of renewables, and provide access to citizens to clean energy based on renewables.

Framework conditions: We local governments need proper framework conditions for effective action. Therefore, the Bonn Conference should generate strong and visible commitments by all

relevant actors to ambitious renewable energy targets, comprehensive action programmes, and effective monitoring mechanisms.

Participation and involvement: Good governance on the national level, i. a., means to take the local level into consideration. As regards renewable energy, there is a broad consensus on the need to consider local circumstances and ensure participation of local stakeholders. However, the role of local government is often neglected. **Therefore, we local governments urge national and international policy-makers to involve us in the formulation and implementation of energy policy, taking into account our important role to facilitate and realise renewable investments, influence infrastructure, and involve citizens through awareness raising and community-based participatory approaches.** Reporting requirements for national governments should adequately reflect this role.

Legal framework: Energy services, in principle, are public services. This must be taken into consideration when shaping energy markets, taking the environmental and social dimension into account. Existing public sector institutions should be strengthened to be able to play a significant role in the joint effort to provide sustainable energy services for all. Legal frameworks should ensure transparency regarding energy markets, in particular the fuel mix and the pricing systems.

Financial resources and funding mechanisms: Financial support for local action is urgently needed. We call upon national governments, international financing institutions and export credit agencies to direct existing funds for sustainable energy from programmes such as REEF (Renewable Energy & Energy Efficiency Fund), and ESMAP (Energy Sector Management Assistance Programme) to local governments, and create new funding opportunities for local governments.

Awareness raising, education and capacity building: Capacity building and training programmes for local authorities should be provided, in particular through their networks who are facilitating the exchange of information and transfer of good practice.

Our Next Steps

We are addressing this declaration to the International Conference on Renewable Energies 2004, and will continue working with our commitments and recommendations during the Conference and in its follow-up process.

We will help to disseminate this declaration, in order to encourage more local governments to add their commitments to the declaration.

We will strengthen our efforts to work together in partnership, and to exchange information and experience on successful renewable energy strategies.

We will supplement this declaration in an Annex with commitments, achievements and policy recommendations of individual local governments and local government networks.

This paper was prepared by CLIMATE ALLIANCE – KLIMA-BÜNDNIS – ALIANZA DEL CLIMA E.V., on behalf of and in consultation with local government world-wide, as represented by their various associations, and by individual cities.

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